Government of the District of Columbia



Department of Consumer and Regulatory Affairs

Testimony of

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FISCAL YEAR 2007 AGENCY PERFORMANCE PUBLIC OVERSIGHT HEARING

Council of the District of Columbia
Committee on the Consumer and Regulatory Affairs
Honorable Mary Cheh, Chair

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Council Chamber John A. Wilson Building 1350 Pennsylvania Avenue, NW Washington, DC 20004 1:00 P.M. Good afternoon, Chairperson Cheh and members of the Committee on Public Services and Consumer Affairs. I am Linda Argo, Director of the Department of Consumer and Regulatory Affairs. I'm here today to testify on behalf of Mayor Adrian M. Fenty about DCRA's performance during fiscal year 2007 and thus far in Fiscal Year 2008.

DCRA has one critical mission: to protect the health, safety, economic interests, *and* quality of life of residents, businesses, and visitors in the District of Columbia – by issuing licenses and permits; conducting inspections; enforcing building, housing, and safety codes; regulating land use and development; and providing consumer education and advocacy services.

While DCRA is not the largest agency in terms of budget dollars or FTEs, it clearly has one of the broadest and most varied scopes of authority and responsibility among District agencies. And we are acutely aware that the services and oversight we provide on a daily basis directly touch and affect the personal and professional lives of hundreds of thousands of District residents, hundreds of thousands more who commute to work in the District, and millions of visitors annually.

My predecessor appeared before you early last spring and correctly stated that nearly a dozen professional studies of DCRA over the past decade continually revealed "a need to significantly improve its management and operational infrastructure in order to fulfill its mission."

And after ten months on the job, I am glad to report while there is much left to accomplish, DCRA *is* making lives easier, safer and healthier for residents, businesses and visitors.

We have begun to rebuild the organization by hiring and/or promoting the right people to the right positions, and ensuring we have right systems in place to effectively and efficiently serve the residents and businesses of the city. We have begun to logically reengineer our processes to allow our employees and, just as importantly, our customers to work faster *and* work smarter.

In support of these new streamlined processes, we've also begun to provide our employees with the technology and tools to properly track our performance and analyze our processes. We've nearly completed a major overhaul our IT infrastructure to combine more than 50 independent database and process management systems into eight (8) fully-integrated user-friendly systems. Armed with accurate, accessible, real-time data, we are establishing measurable and meaningful matrices to establish real performance targets.

I will now highlight in more detail some of DCRA's accomplishments in the past year and the areas in which we seek continued improvement.

REDUCING BACKLOG

In April of 2007, DCRA was buried beneath a massive backlog of nearly 1,000 structural plan and zoning reviews and was drawing the ire of

developers and homeowners across the District as major projects were significantly and unnecessarily delayed.

DCRA attacked this issue immediately and slashed the structural plan backlog from 526 in April 2007 to just one (1) as of today. Zoning plan reviews have been cut down from 429 in April 2007 to 177 today.

We are committed to keep the economic engine turning in the District and DCRA will not stifle progress through burdensome approval delays.

We anticipate working down to and maintaining a zero backlog.

NEW PERMIT CENTER

Our new, streamlined, state-of the-art Permit Center has been fullyoperational since June and is exponentially improving our customers' experiences.

Collaboration with all agencies involved in plans review and permit issuance have given the District a true "one-stop" center with a consolidated review process and single point of entry at DCRA – staff from DDOE, DDOT, DOH & Historic Preservation were brought on-site this month.

Since the center opened, 90 percent of permit applications have been approved on the same day – up from just 63 percent in FY 2006. And the wait time for approval once an application is complete is now measured in hours, not days or weeks.

We're also on target to cut permit-related complaints in half in FY 2008. We received 214 formal complaints in FY 2007 – mainly about the length of time it took to receive approval. In the first five months of FY 2008, we have received just 68 permit-related. I directly attribute this downward trend to the Permit Center and our customer education and outreach efforts – and I expect it to continue to drop.

ONLINE SERVICES

City Administrator Dan Tangherlini often likes to say the "best trip to DCRA is the one you don't have to make." We couldn't agree more — which is why we've begun an aggressive effort to provide as much user-friendly information and as many services online as possible. In August, DCRA launched the District's first fully-online permitting process available to residents and licensed contractors — Postcard Permits. These permits are available for limited-scope jobs, such as:

- Existing fence repairs or replacements
- Interior demolitions (for less than 5,000 square feet)
- Fire escape repairs, and
- Installation of 10 or fewer lighting fixtures or electrical outlets

Since the launch, 431 customers have received Postcard Permits. The number issued monthly has tripled. We expect a continued increase as customers become more aware and comfortable with the system.

Permit applications for more complex construction jobs can now be completed online, as well – easy to download and fill out, before the applicant makes the trip to DCRA.

Since April 2007, we've received 4,914 permit applications customers prepared using the online forms; 1,516 of those were ready for Permit Center processing. The remaining 3,398 were ready for a more detailed review by our staff and sister agencies. This process has improved efficiency dramatically by eliminating time-consuming data entry by Permit Center staff – *and* given customers a 24/7 place at the starting gate.

DCRA has also revamped our information materials in easy-to-read, plain language to give customers accurate, clear and accessible information. We're committed to making as much information as possible available to the public and will continue to make revisions to dcra.dc.gov by adding more interactive features.

We'll begin to barcode all permit file applications in the next two weeks which will enhance our ability to track and monitor application submissions. We plan to deploy Easy building permits (EZ), the latest in a series of online permitting efforts, by mid-March of this year.

DCRA plans to complete the scanning of the Surveyors' historical records to provide expeditious availability of existing records in a digital format to internal and external customers by May of this year. The DC Surveyor's Office houses some of the most remarkable historical documents in the nation – irreplaceable vellum, onion skin and linen papers recording the

changes and development of the District since its earliest beginning – including the King Plats, which first recorded the width of the District's streets at the request of President George Washington. I would also like to mention D.C. Surveyor Roland (Rick) Dreist, Jr. was name a Cafritz Award winner for "Best in Public Service" in December 2007.

VACANT PROPERTY

One of the Mayor's top priorities is to identify vacant property and return it to the city's housing stock and active tax rolls.

Over the past six months, DCRA has aggressively conducted Ward-by-Ward, block-by-block vacant property surveys of Wards 8, 7, 6, 5, 4, 2 and are nearly complete with surveys of Wards 1 and 3. These surveys identified and led to the classification of 3,344 vacant properties as follows:

- Ward 1 308*
- Ward 2 300
- Ward 3 32*
- Ward 4 176
- Ward 5 815
- Ward 6 779
- Ward 7 560
- Ward 8 385

^{*} Total to date, survey yet to be completed

In January, DCRA replaced the antiquated, paper-based file system with a new modern database system using GIS and GPS enabled devices to track these properties and ensure accurate key data such as survey date, inspection results, registration status, renewal date, exemptions, and tax status.

On January 22, 2008, DCRA delivered to the Office of Tax and Revenue a list of these vacant properties for taxation at the Class 3 rate – currently five times the normal assessment rate. The 3,344 total is 370 percent more than the 887 vacant properties we reported in FY 2007.

We expect this effort to encourage owners to return these properties to the housing and building stock or to produce more tax revenue.

We're also using these new technologies to be more responsive to vacant property complaints and inquiries from the public and our sister agencies.

With our new Toughbooks – heavy-duty laptops perfect for field work – we can dispatch inspectors to survey vacant properties more strategically and expect to enable inspectors to record inspection results on the spot electronically.

When we are armed with accurate, real-time data we can process and mail Notices of Infraction and Notices of Violation faster; initiate vacant property registrations; track payments for those registrations more efficiently; and ensure vacant property owners comply with abatement and registration deadlines.

ENFORCEMENT

DCRA continues to vigorously pursue legal action against businesses that are not being "good players" in the District. Since April, DCRA has had several significant victories.

- ➤ In cooperation with the Office of the Attorney General, we shut down an adult video store in Northwest that had operated outside the scope of its Basic Business License and zoning regulations for years.
- ▶ DCRA was also successful in its quest to revoke two Basic Business
 Licenses for a Northeast towing company cited for multiple violations
 in one case, towing and selling a vehicle for scrap without the owner's knowledge.
- ➤ DCRA also took enforcement action against six funeral homes that were operating without the proper permits or certification.

We hope the word is getting out that illegal and unlicensed businesses are not welcome in the District. We will continue to be vigilant against violators.

INSPECTIONS

Nowhere is it more important for us to have a high quality, professionally trained workforce than in our inspection corps. We're continuing to cross-train our inspections staff so that they can identify and cite:

• Illegal construction

- Vacant and nuisance properties
- Zoning violations
- Illegal rooming houses, and
- Graffiti

And all DCRA inspectors – both residential and commercial – are participating in training sponsored by the International Code Council (ICC). All inspectors are expected to complete ICC training by this summer.

The inspections unit has also increased its productivity dramatically in terms of inspections assigned and completed on a daily basis.

Date	Inspections assigned	Inspections completed	Percentage completed
12/1/06	116	79	68%
11/30/07	160	142	89%
% INCREASE	27.5%	44.2%	19%

In the first four moths of Fiscal Year 2008, commercial inspectors completed 9,256 inspections – an average of 3.14 inspections per inspector per day.

During this same period, housing inspectors completed 12,094 inspections—an average of 4.11 inspections per inspector per day.

DCRA was also able to cut the reinspections backlog. On October 1, 2007 there were 2,541 cases awaiting reinspection; as of February 15, 2008 there are 1,329 – a 48 percent reduction.

Within 5 to 6 weeks, we'll have consolidated inspectors from three sites into one – at D.C. General Hospital – which will facilitate greater management oversight and streamline deployment of resources, such as government vehicles and support services.

We've also initiated efforts to identify unpermitted and unlicensed business activity both to invigorate enforcement and capture additional revenue, including a pilot program to identify all unlicensed businesses in and servicing the District and a dedicated Illegal Construction Unit to inspect and enforce illegal construction activity 27/4, using flexible scheduling and no overtime.

LEGISLATION

As a regulatory agency, we do realize that regulatory and compliance oversight is also critical. Businesses must get licenses and certificates of occupancy. Homeowners, builders and developers must get permits. We must insist on compliance – with building, property maintenance, safety and zoning codes and with business and housing regulations. I intend to continue to make compliance easier for our customers to understand. I embrace the trend in regulatory agencies to take innovative approaches to encourage compliance – including education and outreach efforts,

partnership and mentoring programs, and technical assistance and economic incentives.

One critical step we're taking is to screen out antiquated or ineffective regulations, requirements, and formalities. I will continue to expand our legislative/regulatory affairs capacity so that we can evaluate, streamline and simplify those regulations that are essential and eliminate those that are not.

COMMUNITY OUTREACH AND CUSTOMER SERVICE

In the past 10 months we have made major strides in earning the respect of our customers by continuing to prove ourselves as an efficient, responsive, service-driven partner. We depend on the nearly 600,000 residents of the District to be our eyes and ears. And I think we've proven over the past 10 months that when citizens call, we respond.

From defective mailboxes to overgrown weeds, from broken windows to mold, mildew and mice, DCRA has received 1,446 complaints – either directly from residents, via the Mayor's Office, or from Council Members – since October 2007 that resulted in citations of housing code violations.

Here's a breakdown:

- 108 calls for infestation (8.3 percent)
- 189 calls for vacant property
- 199 calls for trash and debris
- 200 calls for no heat, and
- 405 calls for general housing code violations

In September 2007, DCRA launched a new automated, high-capacity, customer-service-focused telephone system to provide faster and easier access to the agency.

Menu prompts smoothly guide customers through DCRA's many functions including licensing, corporate registration, commercial and residential housing inspection requests and permits. The prompts give prerecorded answers to some of the most-asked questions District residents and businesses have about DCRA – and more quickly routes callers to the staff they need to relevant areas.

In October 2006, DCRA answered 93 percent of calls; we're answering 100 percent – through voice or human response – since the new system's launch. Call volume has also increased from an average of 200 calls per day to an average of 300 calls per day. I am proud to say DCRA now ranks among the top 15 DC agencies in call-handling performance. In FY 2007, DCRA's average quarterly score was 4.692 out of 5 in telephone quality assurance tests conducted by the Mayor's Customer Service unit.

DCRA also launched an internal quality assurance monitoring team, with call listening and reporting capacities, to help boost the quality of customer service.

The system lets us closely monitor call types and volumes so that areas that receive high call volumes can be identified – and augmented if necessary.

DCRA will also be able to use information from the new system to more accurately target educational campaigns.

DCRA is also actively involved in the Mayor's Focus Improvement Area effort, a government-wide effort to tackle issues in high-crime areas.

Our overarching goal is to embed customer service concepts and standards into the daily work of each and every employee – not just those who are answering phones or working on our counters in our service centers. We're striving to make it easy for all our customer to do business with us – by providing them with reliable and predictable information, following through, and treating them with respect and integrity.

Workforce Development

We have to be able to attract and retain some high-quality employees whose skills match our business and our customers' needs. We've cut our overall vacancy rate from 17 percent to 9 percent.

DCRA also put into place a tracking system which has cut overtime costs from \$45,000 per pay period in early FY 2007 to approximately \$8,000 per pay period currently – an 83 percent reduction.

We've also able to cut temporary staffing nearly in half, from 113 temporary/contract employees in FY 2007 to 65 employees in FY 2008.

We're working to become more competitive in the job market for positions that require high levels of technical expertise, such as fire protection engineers and commercial inspectors. We must put ourselves in a position to compete with the private sector and other jurisdictions for the top talent in the DC Metro area and across the nation. This challenge has been exacerbated by the region's low unemployment rates and a particularly low concentration of engineers and architects.

While we've been fortunate to find excellent people for our hard-to-fill positions, we need to have the flexibility and resources to retain these highly-valued employees. We'll continue to work with DCHR to try offer more competitive and attractive salaries; and we'd still like to find a way to pay relocation expenses.

Our employees also need ongoing training – full-fledged professional development – to stay abreast of industry policy changes and technological advances. We've built a professional training academy at DCRA that locates training opportunities and develops general training programs for all employees and specialized training in employees' fields of expertise. We've completed mandatory training for all employees in ethics, customer service, and cultural competency.

More importantly, we are motivating staff to look differently at how we're managing and delivering our services – to think daily about eliminating outdated and redundant forms and processes and about gaining efficiencies in service delivery.

I reorganized executive staff and functions to gain efficiencies, eliminating 2 deputy director positions, replacing the Zoning Administrator, creating a Chief Building Inspector, filling critical vacancies, and consolidating all compliance and enforcement functions.

GOING GREEN

One final area I would like to highlight is our efforts to revise the D.C. Construction Code and incorporate Green Building Act provisions. By March 15, DCRA will deliver its revisions to the proposed rulemaking in accord with OAG's recommendations. Concurrently, the Green Building Advisory Committee is completing proposed revisions to the Codes to conform the Construction Codes to the Green Building Act. DCRA is still working aggressively to have the legally-certified rulemaking ready for publication by March 31.

CONCLUSION

Chairperson Cheh and members of the Committee, thank for providing us with this opportunity to report on the accomplishments of DCRA. My staff and I are prepared to answer any questions you may have at this time.